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DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 30, 2013

CERTIFIED RETURN RECEIPT
7011 0110 0001 3568 4879

Frank Filas
Energy Fuels Resources (USA)
225 Union Boulevard, Suite 600
Lakewood, Colorado 80228

Subject: Evaluation of Reclamation Surety, Company Name, Energy Fuels Resources (USA), Inc., Tony M Mine, M/017/0049, Garfield County, Utah

Dear Mr. Filas:

In a letter dated December 26, 2012, the Division of Oil, Gas and Mining notified you that the reclamation surety for the Tony M mine needed to be evaluated. The Division requested that updated bonding information be submitted no later than February 15, 2013, but the Division has not received a response.

The Division understands that the mine will be allowed to flood and that no activity is scheduled for the foreseeable future; nevertheless, the Division needs to ensure that there is adequate surety to reclaim the mine in case of forfeiture.

While the Division strongly prefers to have the bond calculations in the format on the web site, you may update the bond calculation using the existing form in the Notice of Intention. Please note that the escalation rate for 2013 is 1.5 percent per year.

If you want to use the Division's worksheet they are available on the Division's web site at http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_worksheets.html. Please complete these forms and return a copy to the Division for review.

Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost estimate. **Please submit the reclamation cost estimate as an amendment to the Notice of Intention to Commence Large Mining Operations (LMO) by August 1 2013 so the information can be incorporated into the approved plan.**



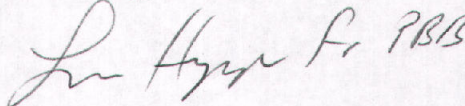
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Please contact Wayne Western at 801-538-5263 or by e mail at waynewestern@utah.gov if you have questions about the worksheets.

The Division also requests that you review the LMO to ensure it is adequate and reflects the current operating conditions. Any necessary changes should be addressed by submitting an amendment to the Notice of Intention.

Thank you for your cooperation. Please call me at 801-538-5261 or Wayne Western at 801-538-5263 if you have questions about this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul B. Baker", followed by the initials "PBB" in a slightly larger, more formal script.

Paul B. Baker
Mining Program Manager

PBB: whw: eb

cc: John Reay and Sue Fivecoat, Hanksville BLM (jreay@blm.gov and sfivecoa@blm.gov)
Will Stokes, SITLA (wstokes@utah.gov)

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